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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 1088

02/13/2017 Authored by Hamilton, Daniels, Schomacker, Loon, Metsa and others
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; individual income; providing a refundable credit for
1.3 modification or improvements to homes of people with disabilities; proposing
1.4 coding for new law in Minnesota Statutes, chapter 290.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. [290.0661] CREDIT FOR DISABLED ACCESSIBILITY HOME
1.7 MODIFICATIONS.

1.8 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have
1.9 the meanings given.

1.10 (b) "Accommodate" means to make a residence accessible for a qualified person in a
1.11 manner that is necessary because:

1.12 (1) the qualified person has a disability; or

1.13 (2) the qualified person is age 65 or older and has a disability or another physical
1.14 limitation.

1.15 (c) "Federal poverty guidelines" means the federal poverty guidelines published by the
1.16 United States Department of Health and Human Services most recently before the first day
1.17 of the calendar year in which the taxable year began.

1.18 (d) "Medical provider" means a physician, licensed under chapter 147, or a primary care
1.19 provider as defined in section 148.171, subdivision 17a.

1.20 (e) "Qualified modifications or improvements" means modifications or improvements
1.21 to the taxpayer's principal residence, as used in section 121 of the Internal Revenue Code
1.22 and located in this state, to accommodate a qualified person and must:

- 2.1 (1) consist of one or more of the following:
- 2.2 (i) no-step exterior entrances;
- 2.3 (ii) exterior or interior ramps;
- 2.4 (iii) stairway lifts;
- 2.5 (iv) elevators;
- 2.6 (v) lifts;
- 2.7 (vi) handrails;
- 2.8 (vii) grab bars or reinforcement of grab bars;
- 2.9 (viii) door hardware;
- 2.10 (ix) widening exterior doors to more than 36 inches;
- 2.11 (x) widening interior doors to more than 32 inches;
- 2.12 (xi) widening hallways to more than 36 inches;
- 2.13 (xii) alerting devices;
- 2.14 (xiii) moving electrical service, including but not limited to outlets and switches;
- 2.15 (xiv) bathroom modifications, including but not limited to accessible toilets, bathtubs,
- 2.16 showers, plumbing, and fixtures;
- 2.17 (xv) kitchen modifications, including but not limited to accessible countertops, cabinets,
- 2.18 appliances, plumbing, and fixtures; or
- 2.19 (xvi) bedroom modifications, including but not limited to relocation to an accessible
- 2.20 space in the home;
- 2.21 (2) be certified by a medical provider as necessary to accommodate the qualified person's
- 2.22 use of the residence; and
- 2.23 (3) consist of improvements or attachments to real property.
- 2.24 (f) "Qualified person" means a taxpayer, the taxpayer's spouse, or the taxpayer's
- 2.25 dependents, as defined in section 152 of the Internal Revenue Code, who has attained the
- 2.26 age of 65 before the close of the taxable year or who has a disability, as defined in section
- 2.27 363A.03, subdivision 12.
- 2.28 Subd. 2. **Credit allowed.** (a) A credit is allowed against the tax imposed under this
- 2.29 chapter on individuals equal to the amount paid during the taxable year for qualified

3.1 modifications or improvements to a residence to accommodate its use by a qualified person.
3.2 The credit amount must not exceed \$7,000.

3.3 (b) The credit under this section does not apply to any amounts for which reimbursement
3.4 is received under any other federal, state, or local government program or from a private
3.5 entity, such as an insurance company or in settlement of a claim or lawsuit. The taxpayer
3.6 or spouse must not claim this tax credit for a taxable year following a taxable year in which
3.7 the taxpayer or spouse claimed the credit under this section.

3.8 Subd. 3. **Credit refundable.** If the amount of credit that the individual is eligible to
3.9 receive under subdivision 2 exceeds the individual's tax liability under this chapter, the
3.10 commissioner shall refund the excess to the individual.

3.11 Subd. 4. **Appropriation.** An amount sufficient to pay the refunds required by this section
3.12 is appropriated to the commissioner from the general fund.

3.13 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December
3.14 31, 2016.